



ADM-2.1

THE WHITE HOUSE
WASHINGTON

Relayed by DCI,
DDCI, & Cx Dir

June 28, 1968

DD/ST# 2633-68

MEMORANDUM FOR THE HEADS
OF DEPARTMENTS AND AGENCIES

I have today signed Public Law 90-364. Its provisions will require significant readjustments, and I shall expect you to achieve these promptly and in a manner consistent with the Nation's interests.

We must reduce spending and lending by at least \$6 billion below my original estimates for fiscal 1969. It will also be necessary to restrict hiring until Federal civilian employment is reduced to the June 1966 level.

I regard this situation as a challenge to management ingenuity. Make every dollar available to you go a little further; make sure every person in your agency is being used in the most effective way possible. This must not be a mechanical, across-the-board exercise. That's the easy way.

I will expect each of you to concern yourself personally with management decisions that will best allocate your diminished resources in money and manpower. All decisions should be made in the light of agency-wide priorities.

The necessary procedures on hiring restrictions and budget reductions are being sent to you by the Budget Director. However, the precise dollar limitations for each agency must await completion by Congress of the 1969 appropriations. In the interim, I shall expect you to proceed with caution in obligating funds so that you can be sure that your agency will be able to make the necessary adjustments under the new law in an orderly manner.

DD/S&T
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